

Message Text

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51

ACTION XMB-07

INFO OCT-01 AF-10 ISO-00 EB-11 CIAE-00 INR-10 NSAE-00

RSC-01 L-03 DRC-01 /044 W

----- 048930

P 091021Z MAR 74

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC PRIORITY 3074

UNCLAS LAGOS 01995

E.O. 11652 : N/A

TAGS : ETRD, US, NI

SUBJ : EXIM CREDIT 2827

REF : STATE 046765

1. EXIMBANK LETTER CONTAINED REFTEL RECEIVED BUT REQUIRES SERVICING, WILL BE TRANSMITTED MINFINANCE ASAP.

2. MEANWHILE, MINFINANCE HAS POSED A TECHNICAL QUESTION SUMMARIZED IN THE FOLLOWING LETTER DATED MARCH 7: QUOTE. JOHN E. MCGRATH, ESQ., COUNSELOR OF EMBASSY FOR ECONOMIC/ COMMERCIAL AFFAIRS, EMBASSY OF THE USA, LAGOS. SUBJECT: NIGERIAN SATELLITE COMMUNICATIONS EARTH STATION: SUPPLEMENTAL CREDIT AGREEMENT WITH EXIMBANK.

QUOTE 1. I WRITE TO THANK YOU FOR YOUR LETTER DATED FEBRUARY 27TH, 1974, INFORMING US, INTER-ALIA, THAT EXIMBANK IS PREPARED TO EXTEND THE AVAILABILITY DATE OF THE ABOVE CREDIT TO MARCH 15TH, 1974, ON THE UNDERSTANDING THAT EXIMBANK WOULD DISBURSE UP TO THE AMOUNT OF THE PROMISORY NOTE LESS THE AMOUNT OF THE FIRST INSTALMENT IN THE SUM OF DOLS112,046 DUE ON FEBRUARY 15TH, 1974. WE HAVE EXAMINED THIS PROPOSTION AND WE ARE AGREEABLE TO EXIMBANK'S PROPOSAL WITH THE PROVISIO THAT THE EXTENTION OF THE AVAILABILITY DATE DOES NOT IN ANY WAY ALTER THE DETAILS OF THE PROMISORY NOTE EXCEPT OUR LIABILITY TO PAY THE FIRST INSTALMENT UNDER THE NOTE.

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QUOTE 2. AS I MENTIONED TO YOU DURING OUR DISCUSSION IN THIS

OFFICE, THIS ARRANGEMENT RAISES ISSUES WITH REGARD TO THE LETTER OF CREDIT. THE CREDIT NOW AVAILABLE FROM EXIMBANK IS DOLS1,232,514 AND NOT DOLS1,344,560. THE DRAFT OF THE LETTER OF CREDIT SHOWS THAT FINANCING IS REQUIRED FOR DOLS1,250,724, THAT IS, DOLS1,389,693 LESS 10* DOWN PAYMENT WHICH UNDER THE PRESENT CIRCUMSTANCE CANNOT BE MET BY WAY OF REIMBURSEMENT FROM THE LOAN ACCOUNT WITH EXIMBANK. THE SHORTFALL IS ABOUT DOLS18,210.

QUOTE 3. THERE ARE TWO OPTIONS AVAILABLE TO DEAL WITH THIS SHORTFALL. THE FIRST IS TO AMEND THE FIGURE IN THE LETTER OF CREDIT TO COMMIT NOT MORE THAN DOLS1,232,514 AND INCREASE THE DOWN PAYMENT FROM DOLS138,969 TO DOLS157,179. THE SECOND OPTION IS TO PAY DOLS18,210 TO EXIMBANK AND LEAVE THE LETTER OF CREDIT UNTOUCHED. THE 19* DOWN PAYMENT TO THE SUUPPLIERS WILL STILL HAVE TO BE MADE. WE BELIEVE THAT THE SECOND ALTERNATIVE WOULD BE THE SIMPLIER OF THE TWO OPTIONS AND I SHOULD BE GRATEFUL TO RECEIVE FROM YOU THE VIEWS OF EXIMBANK TO THIS PROPOSAL SO THAT WE CAN GO AHEAD WITH THE ISSUE OF THE LETTER OF CREDIT.

QUOTE 4. MAY I USE THIS OPPORTUNITY TO REMIND YOU THAT WE ARE STILL AWAITING THE LETTER OUTLINING THE PROCEDURAL GUIDELINES PROMISED BY EXIMBANK IN THE MESSAGE YOU PASSED TO US. (SIGNED) ABUBAKAR ALHAJI (FOR PERMANENT SECRETARY).

UNQUOTTE.

3. PLEASE ADVISE.
REINHARDT

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT AGREEMENTS, COMMUNICATION SATELLITES, PROMISSORY NOTES, BANK LOANS, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LAGOS01995
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: LAGOS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740355/aaaabzib.tel
Line Count: 91
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Office: ACTION XMB
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Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Review Content Flags:
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Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 JUL 2002 by elbezefj>; APPROVED <04 DEC 2002 by martinml>
Review Markings:

Declassified/Released
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30 JUN 2005

Review Media Identifier:
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Review Withdrawn Fields: n/a
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